



Kelso School District #458
601 Crawford Street
Kelso, Washington 98626

•(360) 501-1900

•FAX (360) 501-1902

April 29, 2014

Received & Inspected

MAY 02 2014

FCC Mail Room

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, DC 20554

Re: **CC Docket No. 02-6**
REQUEST FOR REVIEW
USAC Administrator's Decision on Appeal "Denied"
Billed Entity No. 145353
Kelso School District No. 458
601 Crawford Street
Kelso, WA 98626
Phone 360-501-1903 Fax 360-501-1902
FCC Form 471 Application Number: 903558
Billed Entity FCC Registration Number (FCC RN): 0001575174
Applicant's Form Identifier: 471 13/14

Dear Ms. Dortch:

This is a request for review of USAC's Administrator's Decision on Appeal letter dated March 5, 2014 that denies funding of **FRN #2471115** included as part of Kelso School District's **FCC Form 471 application #903558** for Funding year 2013-2014. An explanation of this decision stated *"No contract was in place when the FCC Form 471 Certification was filed. FCC Rules require that a contract be signed and dated by the applicant prior to the filing of the FCC Form 471 Certification for the products and services requested."* A copy of the Administrator's Decision on Appeal has been included for your review. **(Item #1)**

**Request for Review of
USAC Appeal Decision to Deny Funding**
Kelso School District No. 458
Billed Entity No. 145353

Our appeal is based on the fact that at the time the FCC Form 471 Application #903558 was submitted, Kelso School District was already an existing contracted customer with **Windstream Communications, Inc. aka Paetec**. A copy of the earlier contract dating back to 2/11/2010 is included for your review as well as Paetec's Standard Terms stating that contracts renew automatically if written notice is not received by either party 30 days prior to expiration of the current term. This shows that Kelso School District was an existing customer prior to the contract in question. **(Item #2 & #3)**

Kelso School District has been an on-going customer of Windstream Communications since July 2010. The decision to include this vendor in our Form 470 for FY 2013-2014 was due to the fact that an amendment was in order to adjust and lower service costs for the Kelso School District.

As stated on the *Amendment to Agreement (Existing Service Location)*, page 1 of the agreement states that *"This amendment ("Amendment") is made as of this 3rd day of March, 2013 to the service agreement bearing an Effective Date of March 3rd, 2013"*. (A copy of this has been included for your review.) The contract was effective prior to our 471 filing on March 8, 2013, entered into as a verbal agreement and understood by both parties that the agreement was effective as of March 3, 2013. It is our policy to present contracts and agreements before our District Board of Directors. However, there are times, due to time constraints, that a contract or agreement must be presented to the Board after the agreement has already been entered into. This was the case in this instance. The next available Board Meeting after March 3, 2013 was March 11, 2013 and the amendment to our existing contract was dated in accordance with the Board Meeting date even though it was entered into and effective as of March 3, 2013. **(Item #4)**

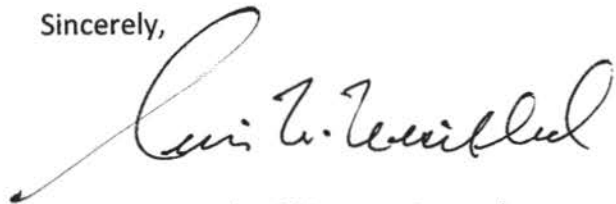
In closing, it is sincerely hoped that our **FCC Form 471, FRN #2471115** will be re-considered and approved for funding. In these tight economic times, the reimbursement amount of \$11,704.44 would be greatly beneficial to the Kelso School District in our mission to improve the learning environment for our students.

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**Request for Review of
USAC Appeal Decision to Deny Funding**
Kelso School District No. 458
Billed Entity No. 145353

Thank you in advance for your time and your consideration of this request to approve funding for FRN #2471115.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott W. Westlund". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Scott W. Westlund (Contact Person)
Executive Director of Business & Operations
Kelso School District No. 458
601 Crawford Street
Kelso, WA 98626
Phone 360-501-1903
Fax 360-501-1902
scott.westlund@kelsosd.org

(Enclosures)

RECEIVED

MAR 10 2014

BUSINESS OFFICE



Universal Service Administrative Company

Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2013-2014 Received & Inspected

March 05, 2014

MAY 02 2014

FCC Mail Room

Scott Westlund
Kelso School District 458
601 Crawford Street
Kelso, WA 98626-4315

Re: Applicant Name: KELSO SCHOOL DISTRICT 458
Billed Entity Number: 145353
Form 471 Application Number: 903558
Funding Request Number(s): 2471115
Your Correspondence Dated: February 26, 2014

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2013 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2471115
Decision on Appeal: **Denied**
Explanation:

- According to our records, it was determined that no contract was in place when the FCC Form 471 and Certification was filed. FCC rules require that a contract be signed and dated by the applicant prior to the filing of the FCC Form 471 for products/services requested. USAC cannot waive the rules of the program. Since your contract was dated March 11, 2013 which was after the Certification Postmark Date of March 8, 2013, your appeal is denied.
- USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which met your state and local or the FCC's definition of a contract. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form 471 "upon signing a

contract for eligible services." The services you requested are not non-contracted tariff or month-to-month services. *See* 47 C.F.R. sec. 54.504(a). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is denied.

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

Scott Westlund
Kelso School District 458
601 Crawford Street
Kelso, WA 98626-4315

Billed Entity Number: 145353
Form 471 Application Number: 903558
Form 486 Application Number:

MAY 02 2014



Quote # 291666
SERVICE AGREEMENT

FCC Mail Room

600 Willow Brook Office Park
Fairport, NY 14450

This sets forth the terms of the Service Agreement ("Agreement") made this 8th day of February, 2010, by and between PAETEC as defined in the PAETEC Standard Terms and Conditions of Service ("PAETEC"), and the Kelso School District, a Washington Corporation ("Customer"). The term of this Agreement is for 36 months ("Term"). Customer agrees to a Minimum Monthly Fee of \$934.50. All services provided are subject to the terms and conditions below and on the attached Rate Schedule(s).

CUSTOMER INFORMATION

Customer Name: Kelso School District
Service Address: 1904 Allen St, KELSO, WA 98626-2515
Billing Address: 601 Crawford St, KELSO, WA 98626-4315
Contact Name: Gary Schimmel Contact Phone: 360-501-1341 Contact Fax:

SERVICES BEING PROVIDED BY PAETEC TO CUSTOMER

Access Loop Trunks

By signing this Agreement, the Customer hereby authorizes PAETEC to provide the Services listed herein and on any/all attachments. Each month Customer shall purchase at least the Minimum Monthly Fee amount set forth above, calculated prior to application of any taxes or surcharges.

This Agreement is subject to and controlled by PAETEC's federal and state tariffs as applicable, and/or by PAETEC's Standard Terms and Conditions of Service and the service specific terms and conditions as located at <http://www.paetec.com/about-us/notice>, as such tariffs and terms may be modified from time to time and all of which are hereby expressly incorporated by reference.

Information regarding Customer's rights and options pertaining to Customer Proprietary Network Information ("CPNI") is available at <http://www.paetec.com/notice/cpni.html>.

The individual signing the Agreement on behalf of Customer is duly authorized to do so.

Accepted By Customer	Authorized by PAETEC
Signature: <u>Jim Biwer</u>	Signature: <u>[Signature]</u>
Printed Name: <u>Jim Biwer</u>	Printed Name: <u>Ram Grotthuis</u>
Title: <u>Exec Dir Business & Operations</u>	Title: <u>RD</u>
Date: <u>2/11/2010</u>	Date: <u>2/12/10</u>

This offer is voidable by PAETEC if not signed and returned to PAETEC by the 9th day of May, 2010.

Board Approve 9/13/2010



SERVICE LOCATION SUMMARY

Service Location Listing - Monthly Recurring Charges

Primary Billing Account Kelso School District, #4514230

Quote # 291666

PAETEC Representative Lesh, Luke Michael

Rep ID 300891

Service Location	Usage Fee	Non-Recurring Fee	Total
Kelso School District 1904 Allen St, KELSO, WA 98626-2515	\$330.00	\$479.50	\$809.50

The information set forth on this Service Location Listing sets forth the total Monthly Recurring Charge(s) ("MRC") for each Service Location covered under the Agreement. For the breakdown of MRC charges for each Service Location, along with site specific Usage Fees and Non-Recurring Fee(s) ("NRC"), please refer to the site specific Rate Schedule for each Service Location. By signing below, Customer acknowledges that it has received and reviewed the site specific Rate Schedule(s) to the Agreement, and agrees to the information set forth therein.

The individual signing the Agreement on behalf of Customer is duly authorized to do so.

<u>Accepted By Customer</u>	<u>Authorized by PAETEC</u>
Signature: <u>Jim Biwer</u>	Signature: <u>Pam Goffrich</u>
Printed Name: <u>Jim Biwer</u>	Printed Name: <u>Pam Goffrich</u>
Title: <u>Exec Dir Business & Operations</u>	Title: <u>RD</u>
Date: <u>2/11/2010</u>	Date: <u>2/12/10</u>



RATE SCHEDULE

Quote # 291666

Location: Kelso School District, 1904 Allen St, KELSO, WA 98626-2515

Product	Product Category	Monthly Recurring Charge (MRC)	Monthly Recurring Quantity	Monthly Recurring Total	Non-Recurring Quantity	Non-Recurring Total
On Net T1 Local Loop Charge	Access	\$165.00	2	\$330.00	0	\$0.00
PRI T1	Voice	\$165.00	2	\$330.00	1	\$500.00
20 DID Station Numbers *	Voice	\$3.00	39	\$117.00	0	\$0.00
FSLC Charge *	Voice	\$6.50	5	\$32.50	0	\$0.00
		Grand Total		\$809.50		\$500.00

Usage Rates

Usage Type	Base Rate	Initial Increment	Additional Increment
Regional Long Distance Charges	0.025 ¹	6 sec	6 sec
In State Long Distance Charges	0.025 ¹	6 sec	6 sec
Out of State Long Distance Charges	0.025 ¹	6 sec	6 sec
Canadian Long Distance Charges*	Bronze ¹	30 sec	6 sec
Caribbean Long Distance Charges*	Bronze ¹	30 sec	6 sec
International Long Distance Charges*	Bronze ¹	30 sec	6 sec
Long Distance Directory Assistance Charges*	1.99 ²		

Rates listed within the Usage Rates section are applicable for all locations, unless otherwise noted on the Individual Service Location listing in the Usage Rates sub-section.

Notes: 1 - Per Minute 2 - Per Call 3 - Per Minute per Participant

* Rates are subject to change on 30 days notice via bill message on customer's invoice.

* Additional charges apply for all local, long distance and 8XX features, network access charge, router maintenance, CPE maintenance and directory listings. For the current features pricing, go to <http://www.paetec.com/about-us/notice>.

*** Amounts listed are reasonable approximations based on initial proposal. Actual amounts shall depend on final lease amount set forth in the Customer's Lease Agreement.



APPLICATION FOR CREDIT

PAETEC Representative: Lesh, Luke Michael
Representative Phone: 360-501-1341

Customer Name: Kelso School District	Tax Exempt Status: _____
Federal Tax ID or SS Number: _____	EMR: \$948.39
Notice Address: 601 Crawford St	Years In Operation: _____
	Number Of Employees: _____
City: KELSO	
State: WA	Zip: 98626-4316
Nature Of Business: _____	Business Structure: _____

Company Name: _____
Address: _____
City: _____ State: _____ Zip: _____

Contact Name: Gary Schlummel	AP Contact Name: _____
Contact Phone: 360-501-1341	AP Contact Phone: _____
Contact Fax: _____	AP Contact Fax: _____
Contact Email: _____	AP Contact Email: _____
Principal/Partner/Officer Full Name: _____	Title: _____

Bank Name: _____	Bank Contact Name: _____
Address: _____	Bank Contact Phone: _____
City: _____	Bank Contact Fax: _____
State: _____	Account Number: _____
Zip: _____	

Vendor	Account Number	Phone	Fax	Contact
1. _____	_____	_____	_____	_____
Address: _____				
2. _____	_____	_____	_____	_____
Address: _____				
3. _____	_____	_____	_____	_____
Address: _____				
Current Local Telco: _____		Current LD Carrier: _____		

Authorization

I hereby represent that I am authorized to submit this application on behalf of the Customer named above, and the information provided is for the purpose of obtaining credit and is warranted to be true. I/We hereby authorize PAETEC to investigate the references listed pertaining to my/our credit and financial responsibility sold. I further represent that the customer applying for credit has the financial ability and willingness to pay for all invoices with established terms.

Accepted By Customer
Signature: Jim Biwer
Printed Name: Jim Biwer
Title: Exec. Dir. Business & Operations
Date: 2/11/2010

PAETEC LETTER OF AUTHORIZATION

I am the Customer of Record or the Authorized Representative responsible for payment for each of the telephone numbers listed herein. I appoint PAETEC Communications, Inc., on behalf of itself and its affiliates* ("PAETEC") to act as my agent for the purpose of collecting account information (including service records and equipment listings) and implementing the change(s) authorized on this document and to investigate my credit history to the full extent permitted by applicable law. I understand that I may only select one local exchange carrier and one primary interexchange carrier for any one telephone number for the services selected below. Further, I understand that my current local exchange provider may charge a per-line fee for changing long distance carriers. Other charges for switching local exchange carriers may apply.

When accompanied by a signed service agreement, I authorize PAETEC to act as my agent for the purposes of coordinating, ordering, and/or converting of the specific telecommunications service(s) that my existing telecommunications carrier(s) provide to me. I hereby authorize the change of my telecommunications carrier(s) from that/those which I am currently using to PAETEC for each of the service types that I have designated below and in my service agreement. This includes without limitation the removal, addition, rearrangement or conversion of those telecommunications services to PAETEC. I acknowledge that I must not cancel service with my current provider until the port process to PAETEC is complete. To the extent I have any duplication of service with my current provider, I understand that I am responsible for cancelling such service with my current provider upon completion of service activation with PAETEC.

INSTRUCTIONS: LIST ALL APPLICABLE BILLING TELEPHONE NUMBERS ("BTNs" and all associated telephone numbers") IN TABLE 2 BELOW OR LIST THE MAIN BILLING TELEPHONE NUMBER BELOW AND ATTACH A DOCUMENT IDENTIFYING ALL ASSOCIATED TELEPHONE NUMBERS SUBJECT TO THIS LOA; THEN MARK EITHER TABLE 1 OR COMPLETE THE REMAINDER OF THE BLOCKS IN TABLE 2.

I hereby select PAETEC as my primary provider of:

(1) ALL of the services selected in Table 1 below for all the BTNs listed in Table 2 below:

Table 1

Local Service	Toll Service	In-State Long Distance	Domestic Long Distance	International
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Or

(2) on a per line basis, only the selected services for the following BTNs:

Table 2

BTN (Billed Telephone Number) (use additional sheets for more BTNs)	Local Service	IntraLata Toll Service	In-State Long Distance	Domestic Long Distance	International
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THIS AGREEMENT WILL REMAIN IN EFFECT UNTIL REVOKED IN WRITING BY THE CUSTOMER.

Authorized Customer Signature:			
Customer Name:	Kelso School Dist. 458	Date:	2/11/2010
Customer Address:	601 Crawford Street	Telephone Number:	360-501-1903
City, State, Zip:	Kelso, WA 98626	Federal Tax ID Number:	91-6008403
		D.B.A (if applicable):	

* US LEC CORP. d/b/a PAETEC Business Services; US LEC COMMUNICATIONS INC. d/b/a PAETEC Business Services; US LEC OF ALABAMA LLC d/b/a PAETEC Business Services; US LEC OF FLORIDA LLC d/b/a PAETEC Business Services; US LEC OF GEORGIA LLC d/b/a PAETEC Business Services; US LEC OF MARYLAND LLC d/b/a PAETEC Business Services; US LEC OF NORTH CAROLINA INC. d/b/a PAETEC Business Services; US LEC OF PENNSYLVANIA INC. d/b/a PAETEC Business Services; US LEC OF SOUTH CAROLINA INC. d/b/a PAETEC Business Services; US LEC OF TENNESSEE INC. d/b/a PAETEC Business Services; US LEC OF VIRGINIA L.L.C. d/b/a PAETEC Business Services, PAETEC Communications of Virginia, Inc., McLeodUSA Telecommunications Services, Inc. d/b/a PAETEC Business Services and McLeodUSA Information Services, Inc;

Paula Edwards

From: Lesh, Luke [Luke.Lesh@PAETEC.com]
Sent: Friday, May 07, 2010 2:32 PM
To: paula.edwards@kelso.wednet.edu
Subject: Installation Fee

Paula,

This email is to clarify the \$500 Non-recurring charge within your agreement with PAETEC. The \$500 NRC is for the installation services of 2 PRI's circuits to the Kelso School District. If you have additional questions for E Rate purposes please let us know.

Thank you,



Luke Lesh
Senior Account Executive
Government/Financial Specialist
Office 503 974 5046
Fax 971 230 0835
Customer Care 800 211 9320
1380 SW Macadam Ave Ste 295
Portland OR 97239
www.paetec.com

MAY 02 2014

FCC Mail Room



PAETEC
STANDARD TERMS AND CONDITIONS OF SERVICE

1. SCOPE. These terms and conditions apply to the provision of all telecommunications and related services ("Services") by PAETEC¹ ("PAETEC") to Customer under the service agreement ("Agreement") to which this schedule is a part. The Services will be offered in each area to the Customer by PAETEC or by an entity (the "Authorized Entity") which is a subsidiary or affiliate of PAETEC authorized to provide the Services in the applicable jurisdiction. The terms and conditions of this Agreement are, and shall be, applicable to the Services provided to the Customer by each Authorized Entity.

2. TERM.

a) The Agreement shall be effective on the latter of Customer or PAETEC's signature dates on the Service Agreement ("Effective Date"). The term of the Agreement and the Minimum Monthly Fee shall commence upon Acceptance of the Service (as hereinafter defined) at all of the Service Locations covered by this Agreement, or the Effective Date, whichever is later, and shall continue in full force and effect for the time period indicated on the first page of the Agreement ("Term"), unless earlier terminated in accordance with its terms. During the time prior to commencement of the Term, Customer shall be responsible for paying any monthly recurring charges for circuits and/or facilities Accepted at the Service Location(s) which will carry either data, voice or both and associated actual usage of the Services, plus applicable taxes and surcharges, *provided that* in the event Customer cancels the Agreement at any time during this period prior to commencement of the Term, except as permitted by Section 6 of the Standard Terms, Customer shall be responsible for the early termination charges as set forth in Section 7b of the Standard Terms. "Acceptance" as used herein shall mean the earlier of: (i) actual use of the Services; (ii) the date the Service is installed and is running in test mode in accordance with the requirements of this Agreement, with no trouble tickets established by Customer, or (iii) seven (7) days after delivery of the circuits, facilities and/or Service to Customer's premise in the event Customer fails to test such circuit, facilities and/or Service. After expiration of the Term, except where prohibited by state law, the Agreement, exclusive of any previously applicable Equipment for Services ("EFS") arrangement shall renew automatically for successive renewal terms, each for a period of time equal to twelve (12) months or such lesser amount as permitted by state law, unless either Party serves the other Party with written notice of such Party's intent not to renew the Agreement at least thirty (30) days prior to expiration of the then current Term. If a party provides written notice

of its intent not to renew, the Services shall continue under the terms and conditions of the Agreement, including application of the Minimum Monthly Fee, after expiration of the Term on a month to month basis with the Services priced at PAETEC's then current monthly rates exclusive of any Term and Volume discounts, promotions or EFS arrangements, until each respective service is canceled by either Party upon thirty (30) days written notice to the other Party. Customer must provide thirty (30) days prior written notice for termination of any circuit, facility and/or service. PAETEC'S provision of Services is contingent upon Customer's compliance with PAETEC'S credit requirements, which requirements may be revised during the Term hereof in PAETEC'S sole and reasonable discretion.

b) **ADDITIONAL SERVICES.** Additional Services may be added from time to time by Customer, which Additional Services will be co-terminus with the Term of the Agreement *provided that* (i) a minimum in-service period of one (1) year ("Minimum In-Service Period") shall apply for each facilities based Additional Service; (ii) the parties amend this Agreement to add the rate schedule applicable to such Additional Service; and (iii) the Minimum Monthly Fee shall be adjusted accordingly. In the event that the Term of the Agreement expires prior to expiration of the Minimum In-Service Period for any Additional Services, the Agreement shall continue in full force and effect with respect to such Additional Service only until expiration of the Minimum In-Service Period. In the event that Additional Services are terminated prior to the expiration of the applicable Minimum In-Service Period, Customer shall be responsible for payment to PAETEC of an amount equal to the monthly recurring charges for such terminated Additional Service, multiplied by the number of months remaining in the applicable Minimum In-Service Period.

3. RATES AND CHARGES.

a) The rates and charges for the Services shall be those set forth in the rate schedule to the Agreement (the "Rate Schedule") or other appropriate schedule thereto, in addition to PAETEC's tariffs, as applicable and as amended from time to time. All rates and charges set forth in any preliminary quote are subject to final approval and acceptance by PAETEC. The rates and charges in the Rate Schedule apply only to the Services provided at the service address listed on the Rate Schedule of the Agreement. Each additional Customer location added after the Effective Date of the Agreement shall require its own rate schedule. Calls made using any service offered by PAETEC are rounded up to the next cent at the

termination of the call. For any PAETEC service used by Customer for which a rate is not specified in the Agreement, PAETEC's standard business rate shall apply. b) Notwithstanding the foregoing, Customer guarantees to PAETEC payment of a Minimum Monthly Fee in the amount set forth on the first page of the Agreement ("Minimum Monthly Fee"). For each month Customer agrees to pay the greater of (i) the total amount otherwise due for the month for all Services and any Equipment provided under the Agreement, or (ii) the Minimum Monthly Fee. Compliance with the Minimum Monthly Fee shall be based on Customer's Service charges prior to application of any taxes or surcharges.

c) If ten percent (10%) or more of Customer's completed calls are equal to or less than 6 seconds in length ("Short Duration Calls") during any calendar month, PAETEC reserves the right to charge and Customer shall be responsible for payment of a surcharge of \$0.01 per Short Duration Call, which surcharge shall be in addition to the rates and charges for the Services and all other applicable surcharges and taxes. If more than forty percent (40%) of Customer's total call attempts are uncompleted during any given month, per trunk group and DS0 circuit, PAETEC reserves the right to disconnect the affected circuit or to charge Customer \$10 per DS0 per month per trunk group. If applicable, the same metrics will be applied on a session (or DS0 equivalent) basis for SIP based termination Services.

4. TAXES AND SURCHARGES. In addition to the rates and charges for the Service(s), Customer shall be responsible for payment of all local, state and federal taxes, fees and surcharges, however designated, imposed on or based upon the provision, sale, or use of the Services, excluding taxes based on PAETEC'S net income. Customer shall be responsible for the payment of all surcharges in effect from time to time, including but not limited to USF, and payphone surcharges, as required or permitted by applicable law, regulation or tariff ("Price List") and/or as specified on the PAETEC website at <http://www.paetec.com/notice/legalnotice.html>. To the extent a sale is claimed to be subject to a tax exemption, and Customer provides PAETEC with a proper tax exemption certificate as authorized or required by statute or regulation of the jurisdiction providing said tax exemption, PAETEC agrees to exempt Customer from the collection of taxes to the extent warranted by such certificate(s). Failure to timely provide said certificate will result in no exemption being available to Customer for any period prior to the date that the Customer presents a valid certificate.

5. BILLING AND PAYMENT. Billing for a Service shall commence upon Acceptance (as previously defined). Payment in full is due no later than the due date indicated on your bill and we may apply a late fee and interest and other charges (including, but not limited to, collection fees) up to the maximum amount permitted by law. Returned checks, payment by phone, paper bills and other fees due to your choice of payment method or billing

receipt may also be subject to fees. Customer must provide PAETEC with written notice of any disputed charge(s) within ninety (90) days after the invoice date listed on the bill or shall be deemed to have waived its rights to dispute the charges. If the dispute is filed on or before the Due Date for the respective invoice, Customer shall pay the invoiced amount minus the disputed amount by the Due Date. Customer shall have no right to withhold amounts not disputed by the Due Date, *provided that* payment of an invoice shall not be deemed a waiver of Customer's rights to later dispute an invoice within the time period established in this Section. The dispute notice shall set forth in writing in reasonable detail the information concerning the disputed charges and reasons for the dispute. PAETEC and Customer shall attempt in good faith to promptly resolve any objection to the invoiced amount. If the dispute is subsequently resolved in favor of PAETEC, Customer shall pay the disputed amount previously withheld within ten (10) days of such resolution, including interest at the rate specified above from the original due date. If the dispute is subsequently resolved in favor of Customer, PAETEC shall issue a credit on Customer's subsequent invoice for the disputed amount. If PAETEC initiates legal proceedings to collect any amount due hereunder and PAETEC substantially prevails in such proceedings then Customer shall pay the reasonable costs and expenses, including but not limited to reasonable attorney fees, expenses, court costs and service charges, incurred by PAETEC in collecting payment and/or in prosecuting such proceedings and any appeals therefrom.

6. TERMINATION.

a) A party may terminate the Agreement on thirty (30) days' written notice if the other party materially breaches the Agreement and such breaching party fails to cure the breach within such notice period, *provided that* the cure period for breach of any of Customer's payment obligations shall only be ten (10) days, or as provided by law. If Customer fails to cure any breach of its payment obligations with respect to amounts not disputed in accordance with the provisions of Section 5 above within such ten (10) business day period, in addition to PAETEC's remedies under Section 5 above, PAETEC shall have the right to immediately and without further notice suspend Services to Customer.

b) A party may terminate the Agreement upon written notice to the other party if (i) the other party dissolves or becomes insolvent; (ii) the other party makes an assignment for the benefit of creditors; (iii) the other party suspends the transaction of its usual business or consents to the appointment of a trustee or receiver; or (iv) a receiver of the other party is appointed.

c) If Customer (or any Customer affiliate) is in default of the terms of any other agreement between PAETEC (or any PAETEC affiliate) and Customer (or any Customer affiliate), including but not limited to any payment obligation to PAETEC or its affiliates, then PAETEC, at its sole option, may consider such default as a default

under this Agreement and provide notice of default in accordance with the terms of this Agreement. Customer further understands and agrees that any breach by Customer of its obligations under this Agreement shall also be deemed a breach by Customer of its obligations under any other agreements it (or any Customer affiliate) has entered into with PAETEC and/or its affiliates and understands and agrees that any such breach shall authorize PAETEC and/or any of its affiliates to immediately suspend performance under, and or terminate, said agreements with Customer (or Customer's affiliates) for default.

7. TERMINATION LIABILITY.

a) If the Agreement is terminated anytime during the Term, Customer shall pay to PAETEC, immediately upon demand, (i) all sums then due and unpaid plus (ii) an amount equal to the Minimum Monthly Fee times the number of months left in the Term. No termination liability will apply in the event that the Agreement is terminated by Customer pursuant to Section 2 at the end of a Term or 6 above as the result of a PAETEC breach, however, in such event Customer shall be responsible for payment of all charges incurred prior to the termination date.

b) In the event Customer terminates the Agreement at any time during the period prior to commencement of the Term, except as permitted by Section 6 above, Customer shall pay to PAETEC, immediately upon demand, (i) all sums then due and unpaid for the Services plus (ii) an amount equal to six (6) times the Minimum Monthly Fee.

c) Construction or Acquisition of Communications Facilities. If PAETEC specially constructs or acquires Communications Facilities in order to provide Service(s) to Customer, and Customer cancels or breaches the Agreement prior to the end of the Term, Customer shall reimburse PAETEC or any third party, as appropriate, for all costs incurred in undertaking to specially construct or acquire such Communications Facilities.

8. LIMITATIONS OF SERVICE. Notwithstanding any other provision contained herein, this Agreement shall apply only to non-carrier services provided directly to Customer for use only by Customer. For the avoidance of doubt, Customer may not purchase services under this retail service agreement and resell services to end users. Resellers may only secure services from PAETEC under a wholesale service agreement. This Agreement also does not constitute a joint undertaking for Customer's furnishing of any service to its own customers. Services provided to Customer under this Agreement may be connected to other facilities between certain locations and thereby constitute a portion of end-to-end service furnished by Customer to its customers.

9. COMPLIANCE WITH LAWS. Each party shall comply with all applicable laws, regulations, court decisions or administrative rulings regarding the provision or use of the Services. Without limiting the foregoing, all customers that utilize the Services for the purpose of making telephone solicitations must comply with the

national do-not-call requirements, including the rules as set forth in 47 C.F.R. Section 64.1200 and 16 C.F.R. Part 310. Failure to do so shall constitute a material breach of the Agreement.

10. UNAUTHORIZED USE OF SERVICES.

a) Except as provided in subsection (b) below, Customer, and not PAETEC, shall bear the risk of loss arising from any unauthorized or fraudulent usage of Services provided under the Agreement to Customer. PAETEC reserves the right, but is not required, to take any and all action it deems appropriate (including blocking access to particular calling numbers or geographic areas) to prevent or terminate any fraud or abuse in connection with the Services, or any use thereof, provided, however, that any such action shall be consistent with applicable federal and state laws, rules, and regulations. In addition, as a condition of receiving the telecommunication services contemplated hereunder, Customer shall at all times order adequate trunking for Customer's call volume. In the event Customer's call trunking is inadequate to accommodate the call volume it is receiving at any given time then PAETEC may, at its sole option, restrict or block calls to the applicable circuits.

b) Notwithstanding the foregoing, Customer shall not be liable for unauthorized or fraudulent usage to the extent that (i) Customer has previously notified PAETEC of the problem; (ii) the problem was within PAETEC'S reasonable ability to correct or prevent, and (iii) PAETEC negligently or willfully fails to correct or prevent such unauthorized or fraudulent usage.

11. WARRANTY. THE QUALITY OF SERVICE PROVIDED HEREUNDER SHALL BE CONSISTENT WITH COMMON CARRIER INDUSTRY STANDARDS, GOVERNMENT REGULATIONS AND SOUND BUSINESS PRACTICES. PAETEC MAKES NO OTHER WARRANTIES ABOUT THE SERVICE PROVIDED HEREUNDER, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAETEC DOES NOT AUTHORIZE ANYONE TO MAKE A WARRANTY ON PAETEC'S BEHALF AND THE CUSTOMER MAY NOT RELY ON ANY STATEMENT OF WARRANTY AS A WARRANTY OF PAETEC. THIS SECTION SURVIVES TERMINATION OF THE AGREEMENT.

12. LIMITATIONS OF LIABILITY.

a) IN NO EVENT SHALL EITHER PARTY (OR ITS AFFILIATES, EMPLOYEES, OFFICERS, DIRECTORS OR AGENTS) BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF REVENUE, LOSS OF PROFITS, OR LOSS OF CUSTOMERS, CLIENTS OR GOODWILL ARISING IN ANY MANNER FROM THE AGREEMENT AND/OR THE PERFORMANCE OR NONPERFORMANCE HEREUNDER. THIS DOES

NOT LIMIT CUSTOMER'S RESPONSIBILITY FOR THE PAYMENT OF ANY AND ALL PROPERLY DUE CHARGES. THIS SECTION SHALL SURVIVE FAILURE OF AN EXCLUSIVE OR LIMITED REMEDY AND TERMINATION OF THE AGREEMENT.

b) PAETEC'S ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDIES WITH RESPECT TO ANY SERVICE PROVIDED TO CUSTOMER (INCLUDING WITHOUT LIMITATION WITH RESPECT TO THE INSTALLATION, DELAY, PROVISION, TERMINATION, MAINTENANCE, REPAIR, INTERRUPTION, OR RESTORATION OF ANY SUCH SERVICE) OR BREACH OF THE AGREEMENT, WHETHER IN AN ACTION FOR OR ARISING OUT OF BREACH OF CONTRACT, TORT, INCLUDING NEGLIGENCE, INDEMNITY OR STRICT LIABILITY, SHALL BE AS FOLLOWS: (I) FOR A SERVICE QUALITY CLAIM (INCLUDING INTERRUPTION IN SERVICE), THE OUTAGE CREDIT UNDER THE SERVICE LEVEL AGREEMENT; (II) FOR TANGIBLE PROPERTY DAMAGE OR PERSONAL INJURY CAUSED BY PAETEC'S NEGLIGENT ACTS OR OMISSIONS, OR FOR ANY DAMAGES ARISING FROM THE WILLFUL MISCONDUCT OF PAETEC, THE AMOUNT OF PROVEN DIRECT DAMAGES; AND (III) FOR ALL OTHER CLAIMS NOT COVERED BY THE FOREGOING SUBSECTIONS, THE AMOUNT OF PROVEN DIRECT DAMAGES NOT TO EXCEED AN AMOUNT EQUAL TO THE CHARGE APPLICABLE UNDER THE AGREEMENT FOR THE PERIOD DURING WHICH SERVICES WERE AFFECTED. IN NO EVENT SHALL PAETEC'S AND ITS AFFILIATES' CUMULATIVE LIABILITY FOR ALL CLAIMS (EXCLUDING (II) ABOVE) ARISING OUT OF THIS AGREEMENT EXCEED THE TOTAL AMOUNT OF ALL FEES PAID BY CUSTOMER TO PAETEC HEREUNDER. THIS SECTION SURVIVES TERMINATION OF THE AGREEMENT.

c) PAETEC also shall not be liable for any damages arising out of or relating to: interoperability, interaction, access or interconnection problems with applications, equipment, services, content or networks not provided by PAETEC; Service interruptions or lost or altered messages or transmissions (except to the extent credit allowances are specified in the applicable Service Level Agreement); or unauthorized access to or theft, alteration, loss or destruction of Customer's, Users' or third parties' applications, content, data, programs, information, network or systems.

13. FORCE MAJEURE. Except with respect to Customer's payment obligations for Services rendered prior to the commencement of a Force Majeure event, notwithstanding any other provision of the Agreement, neither Party shall be liable to the other Party for any delay or failure in performance of the Agreement to the extent such delay or failure is caused by fire, flood, explosion, accident, war, strike, embargo, governmental

requirement, civil or military authority, Act of God, inability to secure materials or labor or any other causes beyond its reasonable control. Any such delay or failure shall suspend the Agreement until the Force Majeure ceases.

14. RELATIONSHIP OF PARTIES. Neither the Agreement nor the provision of Service hereunder shall be deemed to create any joint venture, partnership or agency between PAETEC and Customer. The Parties are independent contractors and shall not be deemed to have any other relationship. Neither Party shall have, or hold itself out as having, the power or authority to bind or create liability for the other by its intentional or negligent act.

15. PAETEC FACILITIES. Equipment furnished by PAETEC shall remain its property and shall be returned to PAETEC on expiration or termination of the Agreement or as earlier requested by PAETEC, in good condition, reasonable wear and tear excepted. Customer shall reimburse PAETEC for any loss of, or damage to, PAETEC'S facilities or equipment on the Customer's premises, except loss or damage caused by PAETEC'S own employees, agents or contractors.

16. NOTICES. All notices and communications under the Agreement shall be in writing and shall be given by personal delivery, by registered or certified mail, return receipt requested, by regular U.S. mail, or by facsimile transmission, addressed to the respective Party as set forth in the first page of the Agreement or to such other address as may be designated in writing by such Party. Notice shall be deemed given upon mailing or sending.

17. ENTIRE AGREEMENT. The Agreement, including these Standard Terms and Conditions, PAETEC's Acceptable Use Policy ("AUP"), Service Level Agreement ("SLA") and all other schedules referenced in the Agreement or at <http://www.paetec.com/notice/legalnotice.html> and which are applicable to the Services purchased by the Customer, PAETEC's applicable tariffs, all of which are expressly incorporated by reference, and any attached schedules signed by both parties, represents the entire agreement of the Parties with respect to the subject matter hereof and supersedes all other agreements, written or oral, between the Parties relating to the Service. The tariffs, the Standard Terms and Conditions, AUP, SLA and other applicable schedules referenced in the Agreement or at <http://www.paetec.com/notice/legalnotice.html> may be modified from time to time. Any other modification to this Agreement shall be in writing and signed by authorized representatives of both Parties. In case of any conflict between the provisions of these Standard Terms and any schedule (including any Addendum), the provisions of the schedule or Addendum shall take precedence unless otherwise indicated in writing by Customer and PAETEC. A digitized (electronic) copy of the executed Agreement shall be deemed the same as an original copy. The Agreement may be executed in any number of counterparts, including facsimile counterparts

or electronic PDFs, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any hand written notation on this form or on any portion of the Agreement by Customer is rejected in its entirety unless expressly agreed to in writing by a PAETEC Vice President of Sales. The information exchanged between Customer and PAETEC concerning Services, Networks and equipment configuration, as well as information about Customer, constitutes proprietary information. Both Parties agree to keep any such information confidential unless either is obligated by law to disclose information contained herein. Provisions in the Agreement that by their sense and context are intended to survive completion of performance, termination or cancellation of the Agreement, shall survive.

18. REGULATORY CHANGE. PAETEC may amend any contract term or pricing in response to a regulatory change that materially changes the technical feasibility or economics of providing service. PAETEC will notify Customer in writing when exercising this right, after which Customer will have thirty (30) days from the date of the notice to terminate the adversely affected Services for cause by notifying PAETEC in writing. If Customer does not respond in writing to PAETEC within thirty (30) days, Customer waives its right to terminate. For avoidance of doubt, Customer's remedy pursuant to this section shall not apply for rates otherwise subject to change as designated on Customer's Rate Schedule(s).

19. WAIVER. No term or provision herein shall be waived, and no breach or default excused, unless such waiver or consent is in writing and signed by the Party to which it is attributed. No consent by a Party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute a consent to or waiver of any subsequent breach or default.

20. PARTIAL INVALIDITY. If any provision of the Agreement shall be held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render the Agreement unenforceable, but rather the Agreement shall be construed as if not containing the invalid or unenforceable provision. However, if such provision is an essential element of the Agreement, the Parties shall promptly attempt to negotiate a substitute therefor.

21. ASSIGNMENT. Customer may not assign the Agreement without the written consent of PAETEC, which consent shall not unreasonably be withheld or delayed; *provided* that no such consent shall be required for any assignment by a party to an entity that either controls or is controlled by or is under common control with that party; or to an entity which succeeds to all or substantially all of such party's assets whether by merger, sale or otherwise; or to any institutional lender to whom this Agreement is assigned as collateral security for any indebtedness of the assignor or any affiliate of the assignor. In the event of any assignment by Customer as

permitted hereunder, the assignee must comply with PAETEC'S credit and security requirements.

22. GOVERNING LAW. The Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of New York, without regard to its conflict of laws principles. Each party consents to personal jurisdiction in the state and federal courts of the State of New York.

23. SPECIAL CONSTRUCTION. Provision of Services is subject to PAETEC'S approval of the suitability of Customer's premises for the Services. In addition, Customer shall be responsible for all costs associated with any special construction and/or wiring that may be requested and/or required as part of PAETEC's provision of Service, and all costs arising from any Customer requested change in location of all or part of the Services prior to the completion of construction or installation.

24. TELEPHONE NUMBERS. In no event shall PAETEC be liable for (i) any telephone numbers published or distributed by Customer prior to Acceptance of Service (as hereinabove defined) at all of the Service Locations covered under the Agreement; or (ii) for any directory publishing error.

[end of schedule]

¹ PAETEC is defined for purposes of this Agreement to include PAETEC Communications, Inc., PAETEC Communications of Virginia, Inc., PAETEC Software Corp., McLeodUSA Telecommunications Services, Inc. d/b/a PAETEC Business Services; McLeodUSA Information Services, Inc; US LEC COMMUNICATIONS INC. d/b/a PAETEC Business Services; US LEC OF ALABAMA LLC d/b/a PAETEC Business Services; US LEC OF FLORIDA LLC d/b/a PAETEC Business Services; US LEC OF GEORGIA LLC d/b/a PAETEC Business Services; US LEC OF MARYLAND LLC d/b/a PAETEC Business Services; US LEC OF NORTH CAROLINA INC. d/b/a PAETEC Business Services; US LEC OF PENNSYLVANIA LLC d/b/a PAETEC Business Services; US LEC OF SOUTH CAROLINA LLC d/b/a PAETEC Business Services; US LEC OF TENNESSEE INC. d/b/a PAETEC Business Services; and US LEC OF VIRGINIA L.L.C. d/b/a PAETEC Business Services. "Cavalier" means Cavalier Telephone, LLC, Cavalier Telephone Mid-Atlantic, LLC, LDMI Telecommunications, Inc., Network Telephone Corp., or Talk America Inc.

The PAETEC entity that is providing regulated services to Customer under the Agreement is the entity that is certificated to provide local exchange and intrastate interexchange services in the state in which local exchange service is being supplied. All services provided to Customer by that entity are provided subject to that particular entity's federal and state tariffs. To the extent that multiple operating subsidiaries are certificated in a particular state, the entity providing service is the entity that submitted an order to secure the local access loop that is required to provide such service.



Received & Inspected

MAY 02 2014

FCC Mail Room

Amendment to Agreement
(Existing Service Location)

This amendment ("Amendment") is made as of this 3rd day of March, 2013, to the service agreement bearing an Effective Date of March 3rd, 2013 (the "Agreement"), by and between PAETEC, as defined in the PAETEC Standard Terms and Conditions, ("PAETEC") and Krelso School District ("Customer").

A. PAETEC and Customer hereby agree to amend the Agreement to: *[check all that apply]*.

i. **Reconfigure services at the existing Service location, as follows:**

N/A change channel assignments between voice/data [describe change and associated charges]:

N/A change facility from one type to another (e.g., Techpath to PRI) [describe change and associated charges]:

N/A change router equipment from one type to another [describe change and associated charges]:

ii. N/A **Add an additional facility at the existing Service location** (describe):

iii. N/A **Add a new Service to existing location** (describe):

iv. N/A **Modify the Minimum Monthly Fee** from to effective as of the first full billing cycle following installation/disconnection of the changed Service(s).

v. N/A **Modify the Term of the Agreement** to end as of

vi. N/A **Relocate the Service location** from to . There will be a one time non-recurring charge to Customer to relocate the facility(ies) and/or service(s) in connection with this relocation in the amount of \$.

B. Attachment A to this Amendment, Quote #855952 which is incorporated by reference, sets forth the rates and other terms and conditions to apply to the additional facilities and/or Services ordered hereunder.

C. Except as modified by this Amendment, the terms and conditions set forth in the Agreement remain unchanged.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed by their duly authorized representative, to be effective as of the date first above written.

KELSO SCHOOL DISTRICT

BY:

NAME: Scott W. Westlund

TITLE: Director of Business & Operations

DATE: 3/11/13

PAETEC

BY:

NAME:

TITLE:

DATE:

Board approved 3/11/13

Attachment A to Amendment
Rates for the new facilities and/or Services only.

The Rate Schedule attached hereto (if applicable) sets forth the rates that will apply to the services added pursuant to this Amendment:

Agreement 855952 rate schedule is modified below to reflect current pricing

- :1. Additional Directory listing - Quantity 46, Cost per unit \$1.00
- 2. DID station numbers - Quantity 39, cost per unit - \$3.00
- 3. FSLC charge - Quantity 5, cost per unit - \$7.20
- 4. Non recurring LNP Rate \$0.00, cost per unit \$0.00

These changes will increase the monthly recurring charges by \$9.90 and decrease the nonrecurring charges by \$25.00